



November 14, 2024

The Honorable Henry Edward Autrey
United States District Court
Eastern District of Missouri, Eastern Division
111 South 10th Street
St. Louis, MO 63102

RE: Victim Impact Statement by C [REDACTED] S [REDACTED], Inc. for *United States of America v. Ronald Simpson* (Case No. 4:24-CR-308 HEA)

Dear Judge Autrey:

C [REDACTED] S [REDACTED], Inc. ("C [REDACTED]") respectfully submits this Victim Impact Statement in connection with the sentencing of Ronald Simpson. Mr. Simpson has pled guilty to a violation of 18 U.S.C. § 1343 (Wire Fraud).

As the Court is aware, the primary victim in this case is Mr. Simpson's former employer, W [REDACTED] U [REDACTED], but C [REDACTED] is also a victim as well. Mr. Simpson made repeated fraudulent claims through C [REDACTED]'s service process to generate shipments of "replacement" products for which no return product was received. This scheme resulted in Mr. Simpson stealing more than \$2 million of products from C [REDACTED].

I. Harm to C [REDACTED]

C [REDACTED] manufactures and sells products that form the backbone of computer networks worldwide. C [REDACTED] provides warranty and extended warranty service for these products. For legitimate, honest customers, the customer service that C [REDACTED] provides is second to none. Because C [REDACTED] products are often used in critical infrastructures, C [REDACTED] provides replacement C [REDACTED] products on an expedited basis, even before the customer has returned a claimed defective one. This helps to ensure that the customer's network experiences little to no downtime, which is deemed crucial for end-users with C [REDACTED] gear in critical networks (e.g., banks, hospitals, government), as well as for other small and large businesses.

When dishonest individuals like Mr. Simpson abuse this trust model and cause C [REDACTED] to ship valuable parts under false pretenses, the financial loss to C [REDACTED] is substantial – in this case more than \$2 million. From as early as September 2015 and through September 2022, Mr. Simpson opened 86 separate Service Requests using his employer's credentials. This caused C [REDACTED] to ship 162 replacement parts to Mr. Simpson, based upon the fraudulently-induced belief that such parts were needed to support Mr. Simpson's employer, a legitimate and valued C [REDACTED] customer.



C [REDACTED] S [REDACTED], Inc.
[REDACTED]
USA

On each of the 162 occasions in which C [REDACTED] sent a replacement product, Mr. Simpson failed to return the claimed defective product every time.

Such a fraud scheme impacts C [REDACTED]'s business in other ways too. When Mr. Simpson initiated each of the 86 separate Service Requests, C [REDACTED] staff took action to support its customer. Such engagement with C [REDACTED]'s engineering staff comes at a cost. Service and support staffing are set based upon the ability of C [REDACTED] to adequately address the volume of service inquiries, and if a portion of those service inquiries are not legitimate, C [REDACTED] may have unknowingly made decisions and operational changes based upon this illicit activity. C [REDACTED] engineering, in an attempt to understand failure rates, dedicates resources based upon claims that products are defective and have failed, and if influenced to do so when actual failures do not exist, there is a detrimental impact to C [REDACTED].

This crime may also harm C [REDACTED]'s valuable, legitimate customers. When a replacement product is not available for shipment to a customer because such equipment was provided to a fraudster, that customer may suffer from a delay in service. In turn, C [REDACTED] must deal with the consequences of an unhappy customer, and one who may have had an agreement with C [REDACTED] (delivery time requirement) that could not be satisfied. Also, C [REDACTED]'s legitimate customers may need to wait longer for technical support when those with unlawful motives occupy C [REDACTED] support representatives. In sum, customer satisfaction suffers. As with any company, C [REDACTED]'s customers are its lifeblood; and they too have been negatively impacted.

Mr. Simpson' deceptive practices also impact the industry and market as a whole. We understand that Mr. Simpson took advantage of C [REDACTED]'s processes for personal gain by reselling the fraudulently-obtained parts on the open market, obtained at no cost to him. These actions undermine the spirit of healthy, legitimate competition among resellers of C [REDACTED] products, including C [REDACTED]'s authorized partners, who must compete with those selling stolen equipment.

Finally, there is no reason to suspect that if C [REDACTED] had not caught on to this scheme, that Mr. Simpson would have stopped his criminal conduct.

II. RESTITUTION

C [REDACTED] understands that Mr. Simpson's plea agreement recognizes that C [REDACTED]'s loss amount in this matter is \$2,265,310. C [REDACTED] respectfully requests that the C [REDACTED] require Mr. Simpson to pay this amount by the issuance of a Restitution Order.



C [REDACTED] S [REDACTED], Inc.
[REDACTED]
USA



III. CONCLUSION

C [REDACTED] respectfully requests that the Court consider the harm to C [REDACTED], its customer base and its authorized partners when determining the appropriate sentence in this matter and that the Court award restitution to C [REDACTED] in the amount of \$2,265,310 to reflect the value of the products stolen by Mr. Simpson from C [REDACTED].

C [REDACTED] would like to thank the Court for considering the views expressed by C [REDACTED] in this Victim Impact Statement. C [REDACTED] greatly appreciates the commitment, time and resources that the United States Attorneys' Office and the FBI dedicated to prosecute this case, and in particular would like to thank Assistant United States Attorneys Derek Wiseman and Jonathan Clow as well as FBI Special Agent Joel Bingaman for their efforts. C [REDACTED] remains available to answer any questions the Court may have.

Sincerely,

T [REDACTED] C [REDACTED]
Brand Protection
C [REDACTED] S [REDACTED], Inc.